

**KEEGAN WERLIN LLP**

ATTORNEYS AT LAW  
265 FRANKLIN STREET  
BOSTON, MASSACHUSETTS 02110-3113

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(617) 951-1400

TELECOPIERS:  
(617) 951-1354  
(617) 951-0586

April 28, 2005

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110

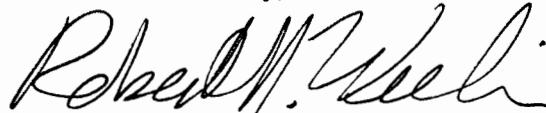
Re: D.T.E. 04-113, Boston Edison Company – 2004 Reconciliation Filing

Dear Secretary Cottrell:

Enclosed for filing in the above-referenced matter are the responses to the Information Requests set forth on the accompanying list.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert N. Werlin", written in a cursive style.

Robert N. Werlin

Enclosures

cc: Service List

## Responses to Information Requests

Information Request AG-1-3

Information Request AG-1-6

Information Request AG-1-7

Information Request DTE-1-5

Information Request AG-1-3

Referring to Exhibit BEC-CLV(Supp), page 2, please itemize each of the changes in methodology/format from last year's reconciliation filing, and provide a complete and detailed description of the reasons or each change in methodology.

Response

As discussed in Exhibit BEC-CLV, page 7 of the Company's initial filing made on December 7, 2003 "The basic methodology continues to follow very closely the methodology employed in last year's reconciliation filing."

The most significant change in format from last year's reconciliation filing is the addition of pages 6 through 8 of Exhibit BEC-CLV-1, which provides the detail of stranded costs relating to Boston Edison's above-market power contracts. This change was done so that in future years, when the Standard Offer Service summary appearing in Exhibits BEC-CLV-4 and BEC-CLV-6 are no longer prepared because of the termination of Standard Offer Service on March 1, 2005, the above-market detail continues to be provided in the transition charge filing. The new format is consistent with the presentation of the five PPA buyouts/restructurings approved by the Department in D.T.E. 04-60, D.T.E. 04-61, D.T.E. 04-68, D.T.E. 04-78, and D.T.E. 04-85.

Exhibit BEC-CLV-2 contains an additional page as compared to last year's reconciliation filing. The additional page is for Competitive Market Issue Costs. This item is described in Exhibit BEC-CLV, page 21.

Information Request AG-1-6

Referring to Exhibit BEC-CLV-2 (Supp), page 3, please provide copies of the invoices/correspondence that determined the NEIL credits indicated on line 1.

Response

Please refer to the response to Information Request DTE-1-5, Attachment DTE-1-5.

Information Request AG-1-7

Referring to Exhibit BEC-CLV-2 (Supp), page 3, please provide copies of the invoices that determined the Maxey Flats Payment indicated on line 7.

Response

Please refer to the response to Information Request DTE-1-5, Attachment DTE-1-5.

Information Request DTE-1-5

Please refer to Exhibits BEC-CLV at 16-17 and BEC-CLV-2 (Supp).

- (a) Provide complete and detailed documentation, including invoices, and an itemization of the NEIL Insurance Credit Refund items and Maxey Flats LLC Expenses items found in BEC-CLV-2 (Supp) at 3.
- (b) Explain why these NSTAR costs are allocated by load for the NSTAR companies.
- (c) Explain how each of these costs qualify as transition costs.
- (d) Cite to the location in BECo's restructuring plan or other Department orders where the ability to collect such items in the transition charge is allowed.
- (e) To the extent that any of these items appeared before the Department or FERC, provide the docket number.

Response

- (a) Please refer to Attachment DTE-1-5 for documentation of the NEIL Insurance Credit Refund item and an invoice to support the Maxey Flats LLC Expense item found in Exhibit BEC-CLV-2 (Supp) at 3.
- (b) The NEIL Insurance Credit Refund and the Maxey Flats LLC Expenses are not allocated by load. Boston Edison receives credit or pays for 100 percent of these items. Commonwealth Electric and Montaup Electric subsequently receives from or pays to Boston Edison a total of 22 percent of these refunds/expenses, consistent with their obligations under the Pilgrim Station Sales Agreement (D.T.E. 98-119/126 (1999)).
- (c) The NEIL Insurance Credit Refund and the Maxey Flats LLC Expenses originated from the Company's ownership of the Pilgrim Nuclear Power Station. These items were a specifically retained benefit/obligation of Boston Edison upon Pilgrim's sale to Entergy.
- (d) Boston Edison's Restructuring Settlement (D.P.U./D.T.E. 96-100 and D.P.U./D.T.E. 96-23), Section V.C., describes the Company's commitments with respect to the continued operation, shutdown, or divestiture of the existing generation business. Subsection V.C.2 of the

Restructuring Settlement addresses the commitments with respect to Pilgrim.

- (e) Boston Edison's obligation, relating to on-going Pilgrim Station items, is covered under the Pilgrim Station Sale Agreement, which was approved by the Department in D.T.E. 98-119/126. NEIL Insurance Credit Refunds and Maxey Flats LLC Expenses have been included in previous Boston Edison Annual Reconciliation Filing Settlement Agreements (D.T.E. 00-82, D.T.E. 01-78, D.T.E. 02-80A and D.T.E. 03-117) that were approved by the Department.

## **Attachment DTE-1-5**



## Stascavage, Bryan

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From: Collins, Brian [BColli1@entergy.com]  
Sent: Wednesday, November 03, 2004 12:37 PM  
To: 'Robinson, Bryant'  
Cc: Stascavage, Bryan; LARGEN, TIMOTHY V; 'joseph\_hobson@nstaronline.com'  
Subject: 2003 NEIL Credits - Payable to BECo

Importance: High



2003\_NEIL  
Distribution BECo.xls..

> Bryant,  
>  
> The total 2003 NEIL credit applicable to BECo's ownership totals  
> \$2,052,027. Per the Purchase and Sales Agreement, Entergy will retain 15%  
> of the BECo portion and 100% of the NEIL credit related to  
> post-acquisition premiums paid to NEIL. BECo's portion (85% of  
> \$2,052,027) \$1,744,223 will be wired to BECo prior to 12/31/04.  
>  
> I verified this information (see attached spreadsheet) with Entergy's  
> Corporate Risk Management department. This information was supplied to  
> them by NEIL.  
>  
> Please let me know if you have any questions and/or need additional  
> information.  
>  
> Brian

> <<2003\_NEIL Distribution BECo.xls>>  
Brian P. Collins  
Manager, Site Business Services  
Entergy Nuclear Operations, Inc.  
Pilgrim Nuclear Power Station  
Telephone: (508) 830-8149  
email: bcolli1@entergy.com

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-----Original Message-----

From: Robinson, Bryant [mailto:Bryant\_Robinson@nstaronline.com]  
Sent: Wednesday, November 03, 2004 10:05 AM  
To: Collins, Brian  
Cc: Stascavage, Bryan  
Subject: RE: 2002 NEIL Credits - Payable to BECo

Brian,

Good morning. I hope things are well. As we prepare for a filing at the DTE could you please provide the most current information for NEIL Credits payable to BECo. Any questions please feel free to contact me. Thank you, your help is greatly appreciated.

Bryant

Nuclear Electric Insurance Limited  
Schedule of 2003 Distributions Net of Premiums  
March 31, 2004

Program	Member Insured	Site	Distribution	Premium	Net
Primary	Entergy Nuclear Generation Company	Pilgrim	37,272	430,195	(392,923)
Acc. Out.	Entergy Nuclear Generation Company	Pilgrim	25,453	506,272	(480,819)
Acc. Out.	Boston Edison Company	Pilgrim	1,108,618		
Excess	Entergy Nuclear Generation Company	Pilgrim	35,717	325,075	(289,358)
Excess	Boston Edison Company	Pilgrim	943,409		
Other	Entergy Nuclear Generation Company		1,606		1,606
<b>Total - Entergy Nuclear Generation Company</b>			<b>2,152,075</b>	<b>1,261,542</b>	<b>(1,161,494)</b>

Pre-acquisition Value	85% Portion of Distribution to BECo per P & S
1,108,618	942,325
943,409	801,898
<b>2,052,027</b>	<b>1,744,223</b>

**MAXEY FLATS SITE IRP, L.L.C.**

**Invoice Number: 120103**

**Invoice Date: 12/01/2003**

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TO: Boston Edison Co.  
c/o Jeffrey N. Stevens, Esq.  
Assistant General Counsel  
NSTAR Electric & Gas Corp.  
800 Boylston Street - P1700  
Boston, MA 02199

REF:

**Invoice for Assessment Against Members of  
the Maxey Flats Site IRP, L.L.C.**

For Boston Edison Co.'s share of an assessment made December 1, 2003  
against members of the Maxey Flats Site IRP, L.L.C.

**\$5,354**

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Payment is due by: **03/01/2004**

Please make check payable to "Maxey Flats Site IRP, L.L.C." and send it to:

**See Attached Instructions  
for Remittance  
Direct Inquiries to:  
Alex Sornoza (212) 250-7637**

Send copy to:  
Cindy Eramian, Paralegal  
Hunton & Williams  
Riverfront Plaza - East Tower  
951 E. Byrd Street  
Richmond, VA 23219-4074

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**MAXEY FLATS SITE IRP, L.L.C.**

Instructions for Payment of Assessments

Payment of the attached invoice should be sent, as follows:

**If by Fed Wire:**

DBTCO AMERICAS NYC/CUST  
ABA 021-001-033  
Reference A/C # 01419647  
FCT: Maxey Flats  
Attn: Alex Sornoza

**If by courier:**

Global Processing Services  
Attn: Lock Box Processing Department  
Corporate Trust and Agency Services -#300201  
Lock Box #12099  
515 Union Blvd.  
Totowa, NJ 07512

**If by regular mail:**

Deutsche Bank Trust Company Americas  
Corporate Trust and Agency Services - #300201  
Post Office Box 12099  
Newark, NJ 07101

- (1) All checks should be made payable to "Maxey Flats Site IRP, L.L.C."
- (2) Please indicate that your payment should be credited to the  
Committee Account, Attention: Alex Sornoza (Account Administrator)

**Inquiries should be directed to:**

Alexies E. Sornoza  
Account Administrator  
Corporate Trust & Agency Services  
60 Wall Street  
MS: NYC60-2710  
New York, NY 10005

Phone: (212) 250-7637  
Fax: (212) 797-8623  
alexies.e.sornoza@db.com



To: S. W. Gray  
From: J. N. Stevens  
Date: December 18, 2003  
Subject: Maxey Flats - Assessment

A handwritten signature in black ink, appearing to be "J. N. Stevens", written over the "From:" line of the email header.

Attached please find the most recent assessment for the Maxey Flat Site, together with the Instructions for Payment of Assessments. Would you please take the necessary steps to have the Company's payment of \$5,354.00 paid on or before March 1, 2004.

If you have any questions, please let me know.

cc: Sandra Little

Linda O'Toole

A handwritten checkmark in black ink, located to the right of the "cc:" list.

01/12/2005

**NSTAR**

1

120 Boston Edison - 120 Boston Edison -- J.E. FOR 242240

Source 000

Co	Date	Posted	Journal	Amount	Created By:
120	02/26/2004	02/27/2004	u757693-transfer Maxey Flats payment to	5,354.00	OTOole, Linda M

5,354.00 ✓